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# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

APR 3 0 2001

FEDERAL COMMUNICATIONS COMMUNICATION
OFFICE OF THE SECRETARY

In the Matter of	)
Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996	) ) CC Docket No. 94-129 )
Policies and Rules Concerning Unauthorized Changes of Consumers Long Distance Carriers	) ) )

#### OPPOSITION OF SBC COMMUNICATIONS, INC.

SBC Communications, Inc. (SBC) submits these comments in response to the petition for reconsideration filed by AT&T Corporation (AT&T) in this docket. SBC opposes any rule exempting *only* multi-line and/or multi-location business customers from the 60-day limitation period for Letters of Agency (LOAs) adopted in the Third Report and Order. The 60-day limitation period for effectiveness of LOAs, or any limitation period adopted by the Commission, should apply uniformly to all customers. In addition, SBC opposes any rule mandating that executing carriers lift freezes and process carrier change requests in the same three-way call.

#### A. Modification of the Commission's 60-day period for LOAs is Unnecessary

AT&T requests that the Commission modify its rule establishing a 60-day validity period for LOAs to exempt multi-line and/or multi-location business customers from the 60-day period. SBC opposes any modification of the 60-day limitation period. At the outset, 60 days is sufficient to enable carriers to submit carrier change orders, including those for multi-

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<sup>&</sup>lt;sup>1</sup> Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, *Third Report and Order and Second Order on Reconsideration*, CC Docket No. 94-129 (rel Aug. 15, 2000) (*Third Report and Order*).

line and/or multi-location businesses. While AT&T is correct that it may take longer than 60 days to complete installations where a significant number of lines and locations are involved, the fact that a customer has multi-lines and/or multi-locations should in no way impact the ability of AT&T or any other carrier to submit a carrier change order to an executing carrier within 60 days. The Commission's rule requires carriers to *submit* a preferred carrier change order within 60 days of the execution date of the LOA, not that the executing carrier fully execute the carrier change order within 60 days.

Further, modifying the 60-day validity period as proposed by AT&T could impose undue hardship on executing carriers. Most of SBC's operating companies --and likely other executing carriers in the industry -- have already implemented mechanized systems to ensure timely processing of carrier change orders, including orders for multi-line and/or multi-location business customers. Indeed, most carrier change orders submitted through SBC's mechanized systems are acted upon within hours. The date an LOA is executed is a required element on the carrier change order that is critical to the mechanized processing of the order. SBC has modified its mechanized systems, based on the 60-day validity period adopted by the Commission, to process only orders that are submitted within 60 days of the execution date of the LOA. Any carrier change orders, whether for residential customers or businesses, submitted after the 60-day validity period for the LOA has expired are rejected.

If the Commission were to exempt LOAs for large business customers from the 60-day limitation period, while enforcing the 60-day period for residential and small business customers, SBC would have to make major modifications to its mechanized systems.

<sup>&</sup>lt;sup>2</sup> 47 C.F.R. §64.1130(j). It states, "A telecommunications carrier shall submit a preferred carrier change order on behalf of a subscriber within no more than 60 days of obtaining a written or electronically signed letter of agency." See also Second Report and Order and

Specifically, SBC would have to redesign its systems to distinguish residential and small business customer carrier change orders, which require LOAs that adhere to the 60-day validity period, from large business customer orders, which would not require LOAs adhering to the 60-day period. This distinction would be critical to ensure that SBC's mechanized systems did not reject carrier change orders for large business customers where the LOAs have been in effect for more than 60 days. Such changes assume SBC knows how "multi-line and/or multi-location business customers" are defined. A definition of this customer segment would be needed to effectuate the necessary programming changes so that SBC's mechanized systems appropriately process a carrier change order. The costs for such modifications would be significant and ultimately would be passed on to customers.

Notwithstanding, should the Commission deem it necessary to modify its 60-day validity period for LOAs, SBC requests that the Commission does so for all customers. Such uniformity will save executing carriers tremendous time, effort and resources as they continue developing systems to ensure the timely processing of carrier change requests.

# B. Carriers Should Not Be Required To Lift Preferred Carrier Freezes And Process Carrier Change Orders In The Same Three-Way Call.

SBC fully supports the Commission's determination in the *Third Report and Order* that carriers *may* accept preferred carrier freeze lift and carrier change requests in the same three-way call, but should not be required to do so. SBC agrees with the Commission that its existing rules offer subscribers a "simple, understandable, but secure way of lifting preferred carrier freezes in a timely manner." AT&T asserts that carriers administering preferred carrier freezes have no legitimate reason for choosing not to accept lift freeze and carrier change requests in

Further Notice of Proposed Rulemaking ¶ 104 (Commission declined to adopt a specific timeframe for execution of carrier changes).

the same three-way call. SBC disagrees. While SBC does not oppose allowing carriers to lift freezes and process carrier change orders in the same three-way call, any requirement that carriers do so would impose a hardship on SBC.

Currently, carriers submit carrier change requests to SBC through mechanized systems that were developed to expedite the carrier change process for consumers. If SBC were required to process carrier change requests via a three-way call, SBC would have to manually process the requests, rather than use its mechanized systems -- systems in which SBC has invested millions of dollars. A manual process would require SBC to increase significantly staffing levels, re-train service representatives, and modify methods and procedures manuals. Further, a manual process would introduce the risk of human processing errors -- a risk currently not present with SBC's mechanized processes. The bottom line is carriers administering preferred carrier freeze programs currently offer consumers direct, simple methods of lifting their freezes. Carriers should continue to have the flexibility to decide whether to implement other processes, including whether to effect freeze lifts and carrier change requests in the same three-way call. Without such flexibility, carriers may be forced to evaluate whether to continue offering freeze programs.

 $<sup>^3</sup>$  Third Report and Order and Second Order on Reconsideration  $\P$  74.

#### III. Conclusion

For the foregoing reasons, SBC requests that the Commission deny AT&T's Petition requesting that the Commission (1) modify its 60-day validity period for LOAs to exempt multi-line and/or multi-location business customers, and (2) require carriers to effect preferred carrier freeze lifts and carrier change requests in the same three-way call.

Respectfully Submitted,

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## **Certificate of Service**

I, Lacretia Hill, do hereby certify that on this 30th day of April a copy of the foregoing

"Opposition" was served by U.S. first class mail, postage paid to the party below.

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